

32B-6-407 Specific operational requirements for equity club license or fraternal club license.

- (1) For purposes of this section only:
 - (a) "Club licensee" means an equity club licensee or fraternal club licensee.
 - (b) "Club licensee" does not include a dining club licensee or social club licensee.
- (2)
 - (a) A club licensee shall have a governing body that:
 - (i) consists of three or more members of the club; and
 - (ii) holds regular meetings to:
 - (A) review membership applications; and
 - (B) conduct other business as required by the bylaws or house rules of the club.
 - (b)
 - (i) A club licensee shall maintain a minute book that is posted currently by the club licensee.
 - (ii) The minute book required by this Subsection (2) shall contain the minutes of a regular or special meeting of the governing body.
- (3) A club licensee may admit an individual as a member only on written application signed by the person, subject to:
 - (a) the person paying an application fee; and
 - (b) investigation, vote, and approval of a quorum of the governing body.
- (4) A club licensee shall:
 - (a) record an admission of a member in the official minutes of a regular meeting of the governing body; and
 - (b) whether approved or disapproved, file an application as a part of the official records of the club licensee.
- (5) The spouse of a member of a club licensee has the rights and privileges of the member:
 - (a) to the extent permitted by the bylaws or house rules of the club licensee; and
 - (b) except to the extent restricted by this title.
- (6) A minor child of a member of a club licensee has the rights and privileges of the member:
 - (a) to the extent permitted by the bylaws or house rules of the club licensee; and
 - (b) except to the extent restricted by this title.
- (7) A club licensee shall maintain:
 - (a) a current and complete membership record showing:
 - (i) the date of application of a proposed member;
 - (ii) a member's address;
 - (iii) the date the governing body approved a member's admission;
 - (iv) the date initiation fees and dues are assessed and paid; and
 - (v) the serial number of the membership card issued to a member;
 - (b) a membership list; and
 - (c) a current record indicating when a member is removed as a member or resigns.
- (8)
 - (a) A club licensee shall have bylaws or house rules that include provisions respecting the following:
 - (i) standards of eligibility for members;
 - (ii) limitation of members, consistent with the nature and purpose of the club;
 - (iii) the period for which dues are paid, and the date upon which the period expires;
 - (iv) provisions for removing a member from the club membership for the nonpayment of dues or other cause;
 - (v) provisions for guests; and
 - (vi) application fees and membership dues.

- (b) A club licensee shall maintain a current copy of the club licensee's current bylaws and current house rules.
- (c) A club licensee shall maintain its bylaws or house rules, and any amendments to those records, on file with the department at all times.
- (9) A club licensee may, in its discretion, allow an individual to be admitted to or use the club licensed premises as a guest subject to the following conditions:
 - (a) the individual is allowed to use the club licensee premises only to the extent permitted by the club licensee's bylaws or house rules;
 - (b) the individual shall be previously authorized by a member of the club who agrees to host the individual as a guest into the club;
 - (c) the individual has only those privileges derived from the individual's host for the duration of the individual's visit to the club licensee premises; and
 - (d) a club licensee or staff of the club licensee may not enter into an agreement or arrangement with a club member to indiscriminately host a member of the general public into the club licensee premises as a guest.
- (10) Notwithstanding Subsection (9), an individual may be allowed as a guest in a club licensed premises without a host if:
 - (a)
 - (i) the club licensee is an equity club licensee; and
 - (ii) the individual is a member of an equity club licensee that has reciprocal guest privileges with the equity club licensee for which the individual is a guest;
 - (b)
 - (i) the club licensee is a fraternal club licensee; and
 - (ii) the individual is a member of the same fraternal organization as the fraternal club licensee for which the individual is a guest; or
 - (c)
 - (i) the club licensee is a fraternal club licensee that holds the fraternal club license on July 1, 2013;
 - (ii) the club licensee's bylaws permit guests in the club licensed premises without a host except that a minor may not be admitted as a guest without a host; and
 - (iii) the club licensee maintains 60% of its total club business from the sale of food, not including mix for alcoholic products, or service charges.
- (11) Unless the patron is a member or guest, a club licensee may not:
 - (a) sell, offer for sale, or furnish an alcoholic product to the patron; or
 - (b) allow the patron to be admitted to or use the licensed premises.
- (12) A minor may not be a member, officer, director, or trustee of a club licensee.

Amended by Chapter 349, 2013 General Session